

Michael O. Leavitt Governor Kathleen Clarke Executive Director Lowell P. Braxton Division Director 1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801 801-538-5340 801-359-3940 (Fax) 801-538-7223 (TDD)

December 15, 1999

Rhett Roberts, President Redmond Minerals, Inc. 6005 North 100 West Redmond, Utah 84652

Re: Formal Approval of Mining and Reclamation Plan and Form and Amount of Reclamation Surety,

Redmond Minerals, Inc., Salt and Bentonite Mine, M/039/002, Sanpete County, Utah

Dear Mr. Roberts:

On December 15, 1999, the Director of the Division of Oil, Gas and Mining formally approved the form and amount of reclamation surety for Redmond Minerals Inc.'s Salt and Bentonite mine. The reclamation surety in the amount of \$235,100 is in the form of a Letter of Credit #8957 issued by Zions First National Bank. The Division hereby grants its final approval of this project and the reclamation surety. You may commence mining operations as outlined in your mining and reclamation plan at your convenience.

Enclosed please find copies of the Letter of Credit and the fully signed and executed Reclamation Contract for your files.

Thank you for your help and patience in finalizing this long permitting process. Please call me if you have any questions in this regard.

Sincerely,

D. Wayne Hedberg Permit Supervisor

Minerals Regulatory Program

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Enclosures: copy of LOC & MR-RC

Ron Bosshardt, Redmond Minerals

Arjun Ram, Consultant

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